Section 35 of the Banking Regulation Act, 1949 in respect of the United Industrial Bank Ltd. with reference to the position of the bank as on 30-6-1980. The inspection report was forwarded by RBI to the bank in April, 1982. Certain procedural and operational deficiencies were observed during the inspection. Follow-up action taken by the bank in respect of the deficiencies pointed out in the inspection report is monitored closely by RBI. RBI has also appointed one of its officers as a director on the Board of the bank to closely oversee the working of the bank.

Modernisation of Central Cotton Mills, Howrah

861. SHRI GURUDAS DAS GUPTA: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have undertaken any programme to modernise the Central Cotton Mills, Howrah;

(b) if so, what are the details thereof; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHED ALAM KHAN): (a) Yes, Sir.

(b) An amount of Rs 81.94 lakhs has been spent on modernisation/renovation of the Central Cotton Mills, upto 31st March, 1986.

(c) Does not arise.

Lowering of Interest Rates of Industrial Borrowers

862. SHRI N. E. BALARAM:
SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank has any proposal under its consideration to lower the interest rates for industrial borrowers; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) The structure of interest rates is under constant review of Reserve Bank of India. Modifications are instituted as necessary taking into account current and emerging developments. There has been a progressive reduction in the maximum lending rate of the banks from 19.5 per cent in March, 1981 to 17.5 per cent in April, 1985.

Ceiling of Royalty on Foreign Collaborations

863 SHRI N. E. BALARAM:
SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have relaxed the norms regarding the ceiling on royalty or lumpsum payments to foreign collaborators; and

(b) if so, what are the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) No such relaxation in the norms has been made. However, higher payments are considered on merits on a case-to-case basis.

Representation from the All India Punjab and Sind Bank Officers' Federation, New Delhi

864. SHRI CHATURANAN MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether he has received any representation from the All India

Punjab & Sind Bank Officers' Federation, New Delhi in second week of June, 1986;

(b) if so, what are the details thereof;

(c) whether Government are aware that an officer of the Punjab & Sind Bank posted at Chandigrah was physically taken to Patiala on the 5th June, 1986 under pressure from Punjab & Sind Bank's AGM. Mr. Nanda to prevent this officer from carrying on his duty as office bearer of Bank Officers' Association;

(d) whether any report has been asked for in this matter; and

(e) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (e) In the absence of specific reference to the representation, the Hon'ble Member is having in view, it is not possible to confirm or otherwise the representation of 2nd week of June, 1986. However, Punjab & Sind Bank has reported that their Officers' Federation has sent a representation on 18-6-1986 to them wherein it is alleged that the AGM, Zonal Office, Chandigrah harrassed one Shri Labh Singh, the President of the Chandigrah Unit of the Federation by influencing the local law and authority and implicating him in false cases. It is also reported that the bank has meanwhile received a letter from the Senior Superintendent Police, Patiala intimating that Shri Labh Singh was called to the Police Station in connection with certain inquiry. The bank is investgating the matter.

Instructions issued to Banking Services Recruitment Board to encourage candidates of minority community

865. SHRI KAPIL VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether instructions have been issued by his Ministry to the public sector banks and the Banking Services Recruitment Board to take specific steps to encourage candidates belonging to the minority community to appear in the Banking Services Examination; and

(b) if so, what are the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) As part of the overall programme for welfare of Minorities regarding measures to be taken to facilitate full participation of Minorities in all aspects of natonal life and with a view to improving the economic condition of Minorities, certain instruction were issued in 1983 to all the public sector banks and Banking Service Recruitment Boards (BSRBs) *e.g.*, inclusion of a member from the Minority Community on BSRBs and the recruitment panels; providing assistance to State Government/Educational Institutions in pre-recruitment training to candidates of minority communities. Recently, the matter was re-examined and fresh instructions have been issued to the public sector banks and BSRBs. These instructions *inter-alia*, include:—

(i) Lead Banks in the 10 districts identified as having a very large concentration of the minority community, will organise special recruitment training centres where candidates belonging to Minority Communities will be given full fledged training to enable them to become successful in clerical tests conducted by BSRBs;

(ii) Establishment of centres in States Capitals for pre-recruitment training by Co-ordinating Bank for the state for recruitment of officers;

(iii) The public sector banks have been asked to set up a small cell at their Head Office to monitor the intake of Minority Communities in Banks.